



July 10, 2025

Ms. Kim Wilbourne  
LIHTC Manager  
South Carolina State Housing Finance and Development Authority  
300-C Outlet Pointe Blvd.  
Columbia, SC 29210

RE: 2025 QAP Roundtable Comments

Dear Ms. Wilbourne:

On behalf of Woda Cooper Companies, Inc., thank you for allowing us the opportunity to provide constructive feedback regarding the 2026 Draft QAP.

## **1. Tax-Exempt Bond and State LIHTC Scoring Criteria**

We recommend reconsidering the entire scoring and ranking criteria for tax-exempt bond applications and for the state LIHTC. Currently, the scoring and ranking criteria is set up as a race-to-the-bottom where developers are incentivized to cut costs. Instead, we recommend aligning these scoring criteria more closely with the 9% scoring. Of the states Woda Cooper currently operates in, Georgia, Indiana, Ohio, Virginia, and Wisconsin all have state housing tax credits and, consequently, a highly competitive tax-exempt bond process. Virginia and Wisconsin have the exact same scoring criteria for 4% applications and 9% applications. Georgia and Indiana both have very similar scoring criteria, with some minor changes for 4% applications. Georgia removes 9 of their 22 scoring categories for the 4% applications, and also implements a maximum score in other categories to make them more attainable. For example, for 9% credits, applications can get up to 20 points for distance to amenities, while for the 4% credits, this category is restricted to 14 points maximum keeping all other language the same. Georgia also has different tiebreaker criteria for their 9% and 4% applications. Meanwhile, Indiana has the same scoring criteria, removing 5 of their 40 (approximately) scoring categories for 4% applications. We recommend that SC Housing mimic the 9% scoring for their Tax-Exempt Bond program, making modifications to some location criteria to account for the larger number of units seen in such developments. Tax-exempt bond applications typically have more units, which means more land is needed which may push developments a bit further out from the urban core. For example, scoring categories such as the distance to amenities and the On-The-Map jobs counts should have larger radii or smaller thresholds to allow developments to more reasonably achieve competitive scores.

For the State LIHTC, the scoring should directly mimic the applicable funding round. When part of the tax-exempt bond application round, the state LIHTC scoring should match the tax-exempt bond scoring. When part of the 9% LIHTC round, the state LIHTC scoring should match the 9% LIHTC scoring. This will ensure the highest scoring developments can receive funding as opposed to trying to balance 2 separate scoring systems and potentially ending up with a result where the highest-scoring application has the lowest score in the state LIHTC rankings.

## **2. QAP Financial Underwriting – Annual Operating Expenses**

Woda Cooper Companies respectfully requests that South Carolina Housing revise the allowable annual operating expense range in the 2025 Qualified Allocation Plan (QAP), currently set between \$3,500 and \$5,000 per unit per year (excluding reserves, property taxes, insurance, and annual compliance monitoring fees).

This range does not reflect current market conditions, particularly in light of continued inflation, increased utility and maintenance costs, rising wages, and other operational pressures. Additionally, the existing fixed range does not account for variations in operating costs based on development type.

We propose the following revisions for consideration:

1. Increase the base annual operating expense range to reflect actual current expenses — for example, adjusting it to \$5,000 to \$7,000 per unit annually.
2. Allow for higher operating expense thresholds based on building type. For example:
  - Historic rehabilitation projects typically require more intensive maintenance and specialized materials;
  - Scattered site developments often experience increased staffing and travel costs;
  - Supportive housing communities may require additional on-site services and staff.

While we appreciate that the current QAP permits waivers under special circumstances, incorporating more flexibility and clarity into the standard framework would improve consistency, transparency, and the accuracy of underwriting assumptions.

We believe these changes would support the long-term operational sustainability of LIHTC developments and contribute to the overall success and quality of affordable housing across South Carolina.

## **3. New Construction Scoring Criteria - Affordability**

We commend SC Housing for its continued efforts to prioritize and support those in greatest need of affordable housing. Woda Cooper Companies shares this commitment and proudly manages numerous developments that include deeply affordable units targeted on vulnerable populations. Based on our extensive experience owning and operating such properties, we recognize the real financial challenges that come with maintaining long-term affordability at extremely low income levels. In particular,

housing units targeted at 20% of Area Median Income (AMI) often face sustainability issues due to limited operating revenue.

To that end, we respectfully recommend adjusting the supportive housing threshold from 20% AMI to 30% AMI. We believe this change will still effectively serve the intended population while helping to ensure the financial viability of these critical units. This adjustment would support long-term operational stability without compromising the program's mission.

#### **4. New Construction Scoring Criteria – Distance to amenities**

Woda Cooper acknowledges the importance of being well-located to amenities for residents. However, we recommend reducing the maximum number of amenities per category from 2 to 1. We believe this adjustment should be considered for both Group A and Group B counties. Minimally, we respectfully request this to be considered for Group B counties to better support scoring in more rural communities.

#### **5. Mandatory Design Criteria – Accessibility Training Requirements**

In instances where the development team (the architect, the general contractor, the superintendent, and the applicable subcontractors) have previously completed accessibility trainings under the active accessibility requirements, we recommend removing the requirement for trainings, or at least decreasing the requirement to just one training. The trainings are expensive and time consuming, and they are often redundant for many development team members.

#### **6. Mandatory Design Criteria – Exterior stairs, Railings, Columns, Signage, Patio & Breezeway**

Woda Cooper recommends allowing exposed wood to construct breezeways and balconies when 5/4 decking is used as the surface material. In Woda Cooper's experience having to construct a ceiling below the decking traps water and debris causing a maintenance issue.

#### **7. New Construction Scoring Criteria – Area Employment**

Woda Cooper supports the use of the OnTheMap tool for area employment, as well as the entire area employment section. This section effectively targets areas with jobs that benefit residents. We would appreciate seeing this section and tool included in the 2026 QAP.

Thank you again for this opportunity to provide feedback, and we look forward to working with the Authority to bring high quality affordable housing to the great people of South Carolina.

Sincerely,

A handwritten signature in black ink that reads "Sophia Paulick". The signature is written in a cursive style with a large, looped 'P' for Paulick.

Sophia Paulick, Development Specialist  
Woda Cooper Development, Inc.

